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Farm Broadcasters Letter



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U.S AG EXPORTS FOR 1988 TO CLIMB

The value of U.S. agricultural exports is forecast to climb \$3 billion 100 million to \$31 billion in fiscal 1988, according to the U.S. Department of Agriculture. The export volume is expected to reach 137 million tons, an 8-million-ton increase. The U.S. is projected to continue gaining world market share in fiscal 1988, particularly for grains and cotton. Low world prices and improved U.S. competitiveness through lower loan rates and the Export Enhancement Program have reduced production incentives for foreign competitors. Also, weather-damaged crops in several countries have provided further opportunities for U.S. export growth.

U.S. WHEAT TO USSR

The U.S. wheat export forecast, at 37 million tons, is now almost 30 percent higher than in 1986/87, according to the U.S. Department of Agriculture. The most recent increase in the estimate was made following the announcement of a 2 million 400 thousand ton wheat Export Enhancement Program to the USSR. Limited competitor supplies of high-quality wheat and strong world import demand are pushing U.S. wheat exports well above last year's level.

ASIA CORN MARKET BACK TO U.S.

Japan, Taiwan and South Korea, which together are estimated to take nearly 45 percent of world corn imports this year, in the last few years had shifted some purchases away from the U.S. But in 1986/87, with short competitor supplies and lower U.S. prices as a result of the 1985 farm bill, these three countries collectively imported almost 5 million tons more from the U.S. than in 1985/86. Since exports from competing nations this year are declining below 1986/87 levels, there are further opportunities for U.S. corn exports.

U.S. CORN EXPORT FORECAST

The U.S. corn export forecast for 1987/88 was raised to 43 million 200 thousand tons by the U.S. Department of Agriculture. This is 2 million 500 thousand tons above last month's forecast. The increase came as a result of further tightening of competitor exportable corn supplies. Corn shipments and sales for the 1987/88 marketing year totaled 16 million 200 thousand tons. This is 3 million 700 thousand tons higher than at the same time last year.

DEFICIENCY PAYMENTS

The U.S. Department of Agriculture's Commodity Credit Corporation will make about \$1 billion 300 million in deficiency payments in December to eligible producers to 1987 crop wheat, barley and oats.

CHINA'S WHEAT DEMAND

China's forecast for wheat imports of 11 million 500 thousand tons are the highest in five years, according to the U.S. Department of Agriculture. Although China's 1987/88 production, estimated at 87 million tons, is down from the record production in 1986/87, it is still large. In the last few years, while consumption has steadily increased, production has leveled off, and import demand is moving back toward the higher levels of the early 1980's. The U.S. has recaptured much of its former share of China's wheat market by use of the Export Enhancement Program.

GENERIC CERTIFICATES -- OUTLOOK

According to William C. Bailey, deputy admin., ASCS, at the U.S. Department of Agriculture, generic certificates are the most significant agricultural policy development tool in at least the past decade. However, the certificates are not intended to be an institutionalized program. They are used to meet certain needs and those needs have changed, and will continue to change. Changes can occur if: Upland cotton and rice stocks continue in balance...Wheat use exceeds production...Corn supplies continue to decline...Season average prices strengthen well above the loan rate for wheat.... A large proportion of wheat ending stocks would be tied up in the Farmer-owned Reserve and CCC-inventory, with high release/sale prices well above market prices...and a large and increasing proportion of corn ending stocks would be tied up in CCC inventory and high release/resale prices would be well above market prices. If the above were to develop, it would have influence on the certificate program and policy.

OUTLOOK 1987... WORLD WHEAT

According to Frank Gomme, ag marketing specialist with Foreign Agricultural Marketing Service of the U.S. Department of Agriculture, the world area devoted to wheat has declined for the third consecutive year, and will be the lowest since 1973. However, yields are 33 percent higher than they were back then. World wheat production will exceed 500 million tons for the fourth time in 5 years. World wheat consumption is projected to exceed production in 1987/88, the first time since 1980/81. World wheat stocks are expected to fall this year for the first time since 1980/81. Market prices for virtually all classes of wheat have generally been running above last year's level, particularly for premium quality wheat. Canada and Australia continue to sell wheat at well below posted levels, while in the U.S., an important share of our wheat exports are moving under the Export Enhancement Program.

1987 CENSUS OF AGRICULTURE

Farm operators across the nation are about to participate in the 1987 Census of Agriculture, conducted by the Commerce Department's Census Bureau. Farmers and ranchers can make this census an effective tool to help chart the future of U.S. agriculture. Census forms will be mailed late in December to more than 2 million farm and ranch operators. Returns are due by February 1, 1988. Information reported by individual farm operators is held confidential by law.

U.S. EXPORT VOLUME FOR SEPT. U.S. agricultural export volume for September totaled 11 million 200 thousand metric tons, up 29 percent from 8 million 700 thousand tons exported during September 1986 and up 12 percent from August 1987, according to the U.S. Department of Agriculture. Strong soybean and corn sales accounted for much of the year-to-year increase. Significant increases also were registered in exports of raw cotton and such high-value products as poultry meat, almonds, grapes and red meats. September's agricultural export value totaled \$2 billion 330 million, up 22 percent from September 1986 and up 9 percent from August's levels.

1987 EXPORT VOLUME The fiscal 1987 export volume totaled 129 million 200 thousand tons, an increase of 18 percent from fiscal 1986, according to the U.S. Department of Agriculture. Grain exports, which accounted for most of the volume increase, were spurred by lower U.S. prices, reduced competitor supplies and the Export Enhancement Program. The U.S. share of world grain trade increased to 36 percent, up from 31 percent last year.

FROM OUR RADIO SERVICE AGRICULTURE USA #1592...(Weekly 13½ min documentary) Food poisoning can ruin the holiday season for you and your family. On this edition of AGRICULTURE USA, Brenda Curtis talks with USDA Consumer Food Safety Specialist Georgia Stevens about the ways to prevent food poisoning by giving some excellent information on food handling and information.

AGRITEPE/FARM PROGRAM REPORT #1580...(Weekly reel of news features) USDA news highlights; Producers farming highly erodible cropland need a conservation plan; 1988 Outlook Conference highlights; Trade problems with the EC live on; Animal export problems.

CONSUMER TIME #1072...(Weekly reel of 2½-3 min features) Holiday charges can be hazardous; Holiday toy safety; Holiday food problems; Unsafe imported toys; TV home shopping.

USDA RADIO NEWS SERVICE...Tues, Dec. 15, Weekly weather and crop outlook; Tobacco yearbook; Milk production report; Thurs, Dec. 17, Economic indicators of the farm sector; Fri, Dec. 18, Ag. outlook; Foreign ag. trade of the U.S.; Catfish outlook report. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

TELEVISION SERVICE programs, A BETTER WAY, DOWN TO EARTH, AGRICULTURAL UPDATE and SATELLITE NEWS are available on satellite Westar IV, audio 6.2 or 6.8 as follows:

Thursdays....AG UPDATE/SATELLITE NEWS, 7:30-7:45 p.m. ET.....Transponder 12D

Saturdays....A BETTER WAY, 10:00-10:30 a.m. ET.....Transponder 9X
ORIGINAL DOWN TO EARTH, 10:30-11:00 a.m. ET....Transponder 9X
UPLINK SATELLITE NEWS/AG UPDATE, 11:00-11:15 a.m. ET.....Transponder 9X

Mondays.....A BETTER WAY, 8:00-8:30 a.m. ET.....Transponder 12D
REPEAT DOWN TO EARTH, 8:30-9:00 a.m. ET....Transponder 12D
UPLINK SATELLITE NEWS/AG UPDATE, 9:00-9:15 a.m. ET.....Transponder 12D

A BETTER WAY is also available on The Learning Channel SATCOM 3R, Transponder 2, Audio 6.8 each Friday 11:00 a.m. ET.

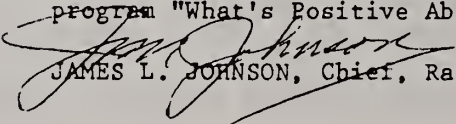
OFFMIKE

The 1987 Outlook Conference is over, and if you called our USDA Radio News Line (202-488-8358), you know Gary, Brenda, and George were busy people. They filled the news line with the maximum number of stories all three days. Our weekly cassette service will also carry reports this coming week. (If you're not familiar with our free radio cassette service containing four weekly series, let us know) ... Max Armstrong (WGN, Chicago) called for some information about our radio satellite uplinks for selected portions of Outlook Conference and reported he would be in to cover the final two days. However, we missed seeing him while he was here. (The conference will keep you busy with four simultaneous sessions going most of the time.) If other farm broadcasters attended the conference, we missed seeing them, too ... This next item comes under the heading of "It's a small world." Craighton Knau (KMA, Shenandoah, IA) and Brian Baxter (Morning Ag Report, Indianapolis, IN) were on the U.S. Feed Grains Council seminar/tour to Egypt and Turkey just before Thanksgiving. Craighton's seat mate on the plane was Marvin Lehrer.

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Office of Information, OGPA
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Marvin is a member of our car pool. In the course of the getting-acquainted conversation, they learned they had a mutual friend, yours truly. According to Marvin, Craighton had some interesting comments about golf games, including ours. We won't tell you what Marvin had to say about Craighton! ... Mike Miller (KOLN, Lincoln, NE) sent out his first NAFB Storyboard newsletter for television farm broadcasters. In it he asks questions about what TV FB'ers would like to work on to improve their professionalism, etc. Nice idea ... Stan McInturf is a TV broadcaster with 19 years in the business who's looking for a job. He's currently doing free lance work, including some farm reporting. His number is 804-547-3071 ... KKOW, Pittsburg, KS, received the Kansas Assoc. of Broadcaster's first place Agricultural Service award for Hugh Robinson's program "What's Positive About Agriculture". Our congratulations!


JAMES L. JOHNSON, Chief, Radio and Television Division